SENATE BILL REPORT SB 6403

As Passed Senate, February 17, 2004

Title: An act relating to authorization for projects recommended by the public works board.

Brief Description: Authorizing projects recommended by the public works board.

Sponsors: Senators Hewitt, Fairley, Spanel and Rasmussen.

Brief History:

Committee Activity: Ways & Means: 1/27/04, 2/2/04 [DP].

Passed Senate: 2/17/04, 49-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Zarelli, Chair; Hewitt, Vice Chair; Parlette, Vice Chair; Carlson, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Pflug, Rasmussen, Regala, Roach, Sheahan, B. Sheldon and Winsley.

Staff: Kirstan Arestad (786-7708)

Background: The Public Works Assistance Account, commonly known as the Public Works Trust Fund, was created by the Legislature in 1985 to provide a source of loan funds to assist local governments and special purpose districts with infrastructure projects. The Public Works Board, within the Department of Community, Trade and Economic Development, is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the following public works systems: bridges, roads, water and sewage systems, and solid waste and recycling facilities. All local governments except port districts and school districts are eligible to receive loans.

The account receives dedicated revenue from: utility and sales taxes on water, sewer service and garbage collection, a portion of the real estate excise tax, and loan repayments. Approximately \$261 million is expected to be generated by these sources during the 2003-05 biennium.

Each year the Public Works Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may remove projects from the list, but it may not add any projects or change the order of project priorities.

Summary of Bill: As recommended by the Public Works Board, 79 additional public works project loans totaling \$236.3 million are authorized for the 2004 loan cycle under the appropriation provided for in the 2003-05 biennium.

The 79 authorized projects fall into the following categories:

(1) Thirty-two sewer projects totaling \$118.9 million

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(2) Nineteen road projects totaling \$59.2 million

- (3) Twenty-seven water projects totaling \$57.2 million
- (4) One bridge project totaling \$1 million

Appropriation: \$236.3 million.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Projects will generate \$1 billion in economic development, 14,000

construction jobs and increase income in households.

Testimony Against: None.

Testified: PRO: Rick Slunaker, Associated General Contractors; Bryan Wahl, Realtors Association; John LaRocque, Public Works Board.